

COMMITTEE ON FINANCE
(Standing Committee of Berkeley County Council)

Chairman: Mr. Dennis L. Fish, District No. 5

The COMMITTEE ON FINANCE met on Monday July 21, 2003, Berkeley County Office Building, 223 North Live Oak Drive, Moncks Corner, South Carolina, at 6:24 p.m.

PRESENT: Mr. Dennis L. Fish, Councilmember District No. 5, Chairman; Mr. Milton Farley, Councilmember District No. 1; Mrs. Judith K. Spooner, Councilmember District No. 2; Mr. William E. Crosby, Councilmember District No. 3; Mr. Charles E. Davis, Councilmember District No. 4; Mrs. Judy C. Mims, Councilmember District No. 6; Mr. Caldwell Pinckney, Jr., Councilmember District No. 7; Mr. Steve C. Davis, Councilmember District No. 8; Mr. James H. Rozier, Jr., Supervisor, ex officio; Mr. D. Mark Stokes, County Attorney; and Ms. Barbara Austin, Clerk of County Council.

The requirements of the Freedom of Information Act have been complied with by posting the time, date, place and agenda of this meeting of Berkeley County Council at the entrance to the Berkeley County Office Building, 223 N. Live Oak Drive, Moncks Corner, South Carolina, and a copy of such notice was mailed to all Councilmembers, the media, organizations and all interested citizens.

Chairman Fish called the meeting to order and asked the Committee's approval of the minutes for Finance Meetings held on June 9, 2003 and June 16, 2003.

It was moved by Councilmember Crosby and seconded by Councilmember Farley to approve the minutes as presented. The motion passed by unanimous voice vote of the Committee.

Item A on the agenda was Mrs. Carolyn Umphlett, Berkeley County Treasurer, Re: Approval of a media of payment for property taxes via Internet.

Mrs. Umphlett indicated that the Committee had in their possession a copy of the prepared information with the cost summary. She stated she did not realize that an Ordinance was necessary in order to allow payment via Internet. There would be a cost for the software and an annual maintenance fee; a convenience fee would be charged to the taxpayers. Lexington County charges 2.8 percent. This was a low rate because it would go through the State Budget and Control.

Chairman Fish asked were they currently accepting credit cards?

Mrs. Umphlett stated they only accept cash or checks.

Chairman Fish asked would this allow them to accept credit cards?

Mrs. Umphlett stated credit cards may be the next step but the County would have to decide whether it wants to accept loss of the fee. With accepting via Internet they could charge a fee, but charging for use of credit cards is prohibited.

Chairman Fish asked how many requests did they get to use either of these methods?

Mrs. Umphlett stated perhaps 10 persons have called about credit cards. Not many have called to pay on line.

Chairman Fish asked why would we spend \$13,000 up front and \$2,200 per month to service 10 taxpayers?

Mrs. Umphlett stated the 10 that called wanted to use the credit cards.

Chairman Fish asked did they know what the usage would be? What was Lexington County's usage?

Mrs. Umphlett stated there were 12 counties to respond and 10 of those were accepting payments on line. There was currently not much activity. She stated the initial fee would be low until people realize that this service is available. If the County charges 2.5 percent the State would receive 1.8 percent. Also, the County would recoup a little of the annual maintenance fee.

Chairman Fish stated that even if 100 persons used it, there is a \$22 cost to the County, which is charged at less than 3 percent. The cost would hardly be recouped unless more than 100 use the service.

Supervisor Rozier indicated he had not received any calls requesting services on line but have had a number of people requesting the use of credit cards.

Mrs. Umphlett stated they would address Council at a later date regarding credit cards because there would need to be a line item budgeted. Also, there would need to be a designated amount that could be used with the credit cards; the larger the amount, the larger the fee. The only thing that would be lost with the Internet access is the set up fee. The \$13,000 set up fee quoted to Ms. Grant is fairly reasonable because had they gone outside to another firm it would be \$30,000 to \$40,000 for the software. Berkeley County would then become a demo for other counties to observe.

Chairman Fish referenced the letter written to Charlie Neely, Account Executive for Lyles Data Systems, Inc., which indicated the request was based upon a meeting for a needs assessment. He stated he would like to see the result of the needs assessment. Was he trying to sell us a system based on his needs assessment or was there a need in the County to provide the service?

Mrs. Umphlett stated it was based on the need for the County to provide the service.

Ms. Grant stated this company had done other on line work for the County. This price was given because they would only have to do slight modifications to the existing software to make this happen. That's the front end of what goes against what the Budget and Control Board provides through the CIO's Office at the State. Other counties have found this to be really successful. Charleston County has been into it for about three years. She stated they looked at Lexington because they used the Budget and Control Board. With all of the State's turnover they couldn't get it until the end of June to the Budget and Control Board who went with them to Lexington to look at the front end of Lexington's. Ms. Grant indicated some counties are collecting three (3) percent of their tax bills that way, and some are much higher. You really start picking it up when the vehicles are done. Berkeley County is going after everything from the start; it won't be Real Estate only. It would be Real Estate, Personal Property, and Vehicles, including the new insurance forms for the State. This vendor knows he has three other counties waiting to commit if Berkeley County is successful, which is why they gave us the break in the price.

Chairman Fish stated his concern was whether we were going to be able to recoup our cost.

Ms. Grant stated there was a lot of feedback on the website, especially from people who live out of State and have property in Berkeley County. She stated delinquent taxes would not be accepted via Internet at this time. The cut off time would be 8:15 p.m. due to reconciling with the State and disbursing the money out to different bank accounts through the State Treasurer's Office.

It was moved by Councilmember Crosby and seconded by Councilmember Spooner to send the request to Council for First Reading. The motion passed by majority vote of the Committee with Councilmember Davis voting "Nay."

Item B, Mrs. Mary P. Brown, Berkeley County Clerk of Court, Re: 1) Masonic Lodge Rent; and 2) Purchase of Crown Victoria for Process Server.

Mrs. Brown indicated that without objection she would like to address credit cards in that a law was passed in July 2002 stipulating that she must accept credit cards for bonds. She stated that in this case the fee could be charged to the user. However, she had been waiting for the County to adopt the policy so that it would be uniform.

Councilmember Steve Davis asked did she need an ordinance drafted?

Mrs. Brown stated this was State Law but she had not implemented it. In her conversation with Mr. Metts, he indicated they were in the process of working something out with credit cards.

Supervisor Rozier indicated he would not be interested in paying a portion of someone's bond.

Mrs. Brown stated the County could not afford it. However, she would like to be able to accept Family Court payments by credit cards but could not charge the fee.

Mrs. Brown stated she addressed Council in April regarding the donation made to the Masonic Lodge each year for use of their parking lot. She had not made a donation for 2002/2003 pending a response from Mr. Carson about paving the parking lot. The Masonic Lodge is calling about the donation if the County is not going to pave the lot. Mrs. Brown asked if Council would like for her to continue with the donation?

Supervisor Rozier stated there was no other place over there to park. The Courthouse was built without a place to park and a trade was made to acquire the current space for parking. He stated they had made arrangements through the Clerk of Court to pay \$2,500 per year and have the right to park in the Masonic Lodge's parking lot for the last several years. The only land that could possibly be acquired for parking would be behind the jail, which would be too far from the courthouse.

Councilmember Crosby asked how many parking spaces were on that lot?

Mrs. Brown replied, about 30 to 35 cars could park on the lot.

Councilmember Pinckney stated the \$2,500 would be paid regardless on a yearly basis, and if the parking lot could be paved for \$5,000....

Mrs. Brown indicated she had spoken with Marvin Mitchum and suggested that if the County paved the lot could we go three years without a donation.

Supervisor Rozier asked was there any agreement as to what the rent would be in the fourth year?

Mrs. Brown stated they have nothing.

Supervisor Rozier stated his concern would be that if the County paved the parking lot for \$5,000, the rent could go to \$5,000 in the fourth year. If the County plans to pave the parking lot, there should be some on going agreement as to what the rent would be afterwards.

Councilmember Steve Davis asked, in reference to the \$2,500 that's being donated, what has inhibited the Masonic Lodge from paving the lot? This would be an improvement to their property and it should behoove them that if they are going to get \$2,500 a year, they should be concerned about paving the lot as well.

Supervisor Rozier stated that if the County were going to pay \$5,000 and save \$2,500 and have some idea of what the rent would be after the three-year period, it would make sense.

Councilmember Pinckney suggested they negotiate with the Masonic Lodge.

Chairman Fish asked who maintains the lot?

Mrs. Brown stated the Masonic Lodge takes care of the lot; she reminds them each year that they receive a fee and on occasions had indicated they would bring a load of rock when the fee was received.

Councilmember Crosby asked how long had the County been paying to park on this lot?

Mrs. Brown stated it had been quite a few years.

It was moved by Councilmember Steve Davis that the County Supervisor be authorized to negotiate with the Masonic Lodge regarding the parking lot with the Clerk of Court's permission and bring a proposal to Council.

Mrs. Brown stated this matter deals with the parking and she would totally yield the negotiating to the County Supervisor.

Councilmember Crosby seconded the motion. The motion passed by unanimous voice vote of the Committee.

Mrs. Brown stated she had \$24,813 in an incentive account and had contacted Mr. Hamer regarding the price of a Crown Victoria. This purchase would replace the car the process server drives, which has major transmission problems. The 2003 Crown Victoria with taxes and delivery would be \$21,496, with the State's discount. She stated the accessories would be purchased from Palmetto Distributors for \$1,350; also, the Galls would be \$475 for a total of \$1,825. She stated that \$22,435 would be transferred from Account 41212, to Line item 6106; and \$1,825 to Line Item 5205, for a total transfer of \$24,260.26.

Supervisor Rozier asked what car was this?

Mrs. Brown stated the car's number was #896.

Councilmember Steve Davis asked what was the year of the car the process server was driving?

Mrs. Brown stated the year of the car was 1997. If the new car were approved the old car would go into surplus.

It was moved by Councilmember Crosby and seconded by Councilmember Mims to approve the transfer.

Chairman Fish asked why does a process server need siren lights?

Mrs. Brown stated he serves Bench Warrants and makes arrest. It would not be a full packet police car.

Supervisor Rozier stated the cars are transferred from one department to another. The Crown Victoria holds up significantly better than the smaller cars. They are bought at an excellent price on the State's contract. If this car were bought on the open market it would cost from \$30,000 to \$31,000.

Chairman Fish asked was this last year's money and was it part of the budget?

Mrs. Brown stated this was incentive money that was not used and similar to the Sheriff's office drug money that is rolled over.

The motion passed by unanimous voice vote of the Committee

Item C, Consideration of a Resolution authorizing the execution and delivery of an inducement agreement by and between Berkeley County, South Carolina and Marine Barge Company, LLC, whereby Berkeley County will enter into a Fee-in-Lieu of taxes arrangement with Marine Barge Company, LLC; and other matters relating thereto.

It was moved by Councilmember Charles Davis and seconded by Councilmember Crosby to send the Marine Barge Company Resolution to Council for adoption. The motion passed by unanimous voice vote of the Committee.

Item D, Consideration prior to First Reading of an Ordinance to amend Ordinance Number 03-06-35, Sangaree Special Tax District Operational Budget, 2003-2004, and to reduce the millage assessed in the tax district.

Mr. Chuck Cheers, General Manager, Sangaree Special Tax District stated he was speaking on behalf of the Advisory Commission in requesting that their budget be amended to make adjustments for the increased fire fee passed in June 2003. He stated they would also need to reduce their millage, which would be determined when the Advisory Committee meets on August 7. As simple as the request seems, it's a little complicated. In order to know how to set their millage, they need to know whether they were doing fire in its entirety. Will they still do \$50 per house and the additional, which is done by a fee? He stated they certainly couldn't do the entire \$60 with the Sangaree tax money as in the past. All of their revenues come from Ad Valorem Taxes and with the new proposed fire fee, \$60 would be collected and \$8.00 would go to the grant funds, which may not be used in the district from which it was collected. Mr. Cheers stated the taxes collected from the residents in Sangaree should stay within the Tax District. He stated the County would have to implement a fee collection. Whether they collect the additional \$10 or the entire \$60 and allow Sangaree STD not to do the fire fees.

Chairman Fish asked would they need to lower or change their operation if the County collects the \$10?

Mr. Cheers indicated that was correct.

Councilmember Charles Davis explained that the Sangaree STD negotiates a fire contract each year and the rate was set at \$50 per house. They collect a millage based on property value, vehicles, boats, etc. The \$10 fee is not provisional with the Tax District Ordinance so the County would have to pick that up, or change the way they pick up the entire \$60 resulting in a reduced millage.

Supervisor Rozier stated the millage that it takes for the \$50 per household would be reduced, and the \$60 fire fee would be put on the tax bill.

Councilmember Spooner indicated that when this was previously discussed they were told it couldn't be done due to complaints from Sangaree that the millage was not fair across the board.

Mr. Chears stated the Sangaree STD cannot collect fees. The Ordinance that establishes the Tax District stipulates that their revenues must come from Ad Valorem Taxes. The County can collect the fees within the tax district.

Mr. Stokes stated the County is to collect the fire fee as increased. As a result the millage rate within the tax district would decrease proportionally.

Councilmember Charles Davis stated the Advisory Committee would have to vote on relinquishing their rights to negotiate the fire contract and pass it on to the County.

Mr. Chears stated in Section II of the Ordinance it says, "the county shall provide within the boundaries of the Special Tax District the following service", and it names fire protection. The Rural Fire Tax District Ordinance that was adopted in 1996 establishes that in all unincorporated areas there would be a uniform fire fee and any ordinance and parts of ordinance in conflict with that would be repealed. He stated the Sangaree Advisory Commission does not object to the increased fire fee. If they went to the fire fee, the millage would be reduced.

Mr. Chears stated two different fire departments service the Sangaree STD and it's almost \$11,000 for one month. This fire department has a budget; loans for trucks and equipment are based on a check given to them each month for the last 24 years from the Sangaree STD. If the County collects the entire \$60 as a fee on the property tax bills and Sangaree discontinues, before they reimburse to the departments, they could reimburse the Tax District for those funds.

Councilmember Charles Davis stated Sangaree's contract runs July to June with C&D and the County's run January to December. So, this would leave them dry from now until the fire contract becomes into effect with the County.

Supervisor Rozier what year were the taxes for Sangaree collected?

Mr. Stokes stated it was for 2002. He indicated he didn't have an answer for Mr. Cheers this evening but would get with Kace Smith, Finance Director, to see what they can put together for the committee. He recommended the Committee send the Ordinance for First Reading.

It was moved by Councilmember Spooner and seconded by Councilmember Mims to send the Ordinance to Council for First Reading. The motion passed by unanimous voice vote of the Committee.

Item E, Consideration prior to First Reading of an Ordinance authorizing the execution and delivery of a Fee-In-Lien of Tax Agreement and certain instruments relating thereto by and between Berkeley County and Marine Barge Company, LLC whereby, Berkeley County will enter into a Fee-In-Lieu of taxes arrangement with Marine Barge Company, LLC; providing for payment by Marine Barge Company, LLC of certain fees in lieu of Ad Valorem Taxes; and other matters relating thereto.

It was moved by Councilmember Crosby and seconded by Farley to send the Ordinance to Council for First Reading. The motion passed by unanimous voice vote of the Committee.

Item F, Review prior to Second Reading of Bill No. 03-42, an Ordinance for the purpose of establishing the Berkeley Technology Development Corporation, stating its purposes and appointing the members to the Board of Directors of the Berkeley Technology Development Corporation.

It was moved by Councilmember Spooner and seconded by Councilmember Crosby to send Bill No. 03-42 to Council for Second Reading. The motion passed by unanimous voice vote of the Committee.

Item G, Review prior to Third Reading of the following:

1. Bill No. 02-78, An Ordinance authorizing the issuance of not exceeding \$35,850,000 principal amount Berkeley County, South Carolina Pollution Control Refunding Revenue Bonds (South Carolina Generating Company, Inc. project), pursuant to Chapter 3, Title 48, volume 16, Code of Laws of South Carolina 1976, as amended; for the purpose of refunding the outstanding principal amount of \$35,850,000 principal amount Berkeley County, pollution Control Facilities Revenue Refunding Bonds (South Carolina Electric & Gas Company Project), Series 1984; the execution and delivery of a Loan Agreement, a Bond Trust Indenture, a Bond Purchase Agreement, a Tax Compliance Agreement and other Documents related thereto in connection therewith; approving the execution and distribution of an official statement; authorizing the proper officers to do all things necessary or advisable in connection with the foregoing, or advisable in connection with the foregoing; and other matters incidental thereto.

It was moved by Councilmember Charles Davis and seconded by Councilmember Mims to send Bill No 02-78 to Council for Third Reading.

Supervisor Rozier stated this item pertains to the South Carolina Generating Company AKA as South Carolina Electric & Gas. While the County has to approve the Ordinance, there was no responsibility to the County to make any payments.

The motion passed by unanimous voice vote of the Committee.

2. Bill No. 03-25, an Ordinance providing for the fiscal year beginning July 1, 2003, and ending June 30, 2004, for the Pimlico Special Tax District Operational Budget and to provide for the expenditures of the revenues received by the Pimlico Special Tax District during the fiscal year.

Councilmember Spooner stated she asked that this item be placed on the agenda in case there was something to present to the citizens. However, the board meets on tomorrow evening and would make suggestions on the bylaws changes.

Mr. Stokes indicated they would have a modified budget to present to Council at that time, as well as a Resolution approving the recommended bylaws.

Councilmember Spooner stated some of the changes entail changing a word here and there, how the different commissioners are chosen to comply with some laws.

It was moved by Councilmember Spooner to send Bill No. 03-25 to Council for Third Reading. The motion passed by unanimous voice vote of the Committee.

3. Bill No. 03-32, an Ordinance to provide for the issuance and sale of General Obligation Refunding and Improvement Bonds of 2003 of Berkeley County, South Carolina in the principal amount of not exceeding twenty-five-million dollars (\$25,000,000); to prescribe the purposes for which the proceeds shall be expended; to provide for the payment thereof; and other matters thereto.

It was moved by Councilmember Charles Davis and seconded by Councilmember Spooner to send Bill No. 03-32 to Council for Third Reading. The motion passed by majority vote of the Committee with Councilmembers Crosby and Steve Davis voting "Nay."

Supervisor Rozier stated that without objection there was an article in the paper this week about County work being done on private property and he would like to discuss it at this time.

Councilmember Steve Davis stated he objected because the item was not on the agenda.

Supervisor Rozier stated the folks from C& S Residential Care (Lil Owl) are present this evening. He indicated that Jamestown had given them a letter stating that Berkeley County would have to give Jamestown permission to serve that area because it is outside the service area.

Councilmember Spooner stated she objected to hearing that matter because it was not on the agenda.

It was moved by Councilmember Crosby and seconded by Councilmember Spooner to adjourn. The motion passed by unanimous voice vote of the Committee.

The Meeting adjourned at 7:18 p.m.

*Note: At the Adjournment of this meeting Ms. Annel Wade of Lil Owl continued to address the Committee.

August 18, 2003
Date Approved

COMMITTEE ON FINANCE
(Standing Committee of Berkeley County Council)

Chairman: Mr. Dennis L. Fish, District No. 5

Members: Mr. Milton Farley, District No. 1
Mrs. Judith K. Spooner, District No. 2
Mr. William E. Crosby, District No. 3
Mr. Charles E. Davis, District No. 4
Mrs. Judy C. Mims, District No. 6
Mr. Caldwell Pinckney, Jr., District No. 7
Mr. Steve C. Davis, District No. 8
Mr. James H. Rozier, Jr., Supervisor, ex officio

A Meeting of the COMMITTEE ON FINANCE, Standing Committee of Berkeley County Council, will be held on Monday July 21, 2003, in the Assembly Room, Berkeley County Office Building, 223 North Live Oak Drive, Moncks Corner, South Carolina, immediately following the meeting of the Committee on Public Works and Purchasing, the Committee on Land Use, and the Committee on Community Services at 6:00 pm.

AGENDA

APPROVAL OF MINUTES

June 9, 2003
June 16, 2003

- A. Mrs. Carolyn Umphlett, Berkeley County Treasurer, Re: Approval of a media of payment for property taxes via Internet.
- B. Mrs. Mary P. Brown, Berkeley County Clerk of Court, Re:
 - 1. Masonic Lodge rent.
 - 2. Purchase of a Crown Victoria for Process Server.
- C. Consideration of a Resolution authorizing the execution and delivery of an inducement agreement by and between Berkeley County, South Carolina and Marine Barge Company, LLC whereby, Berkeley County will enter into a Fee-in-Lieu of taxes arrangement with Marine Barge Company, LLC; and other matters relating thereto.
- D. Consideration prior to First Reading of an Ordinance to amend Ordinance Number 03-06-35, Sangaree Special Tax District Operational Budget, 2003-2004, and to reduce the millage assessed in the tax district.
- E. Consideration prior to First Reading of an Ordinance authorizing the execution and delivery of a Fee-In-Lieu of Tax Agreement and certain instruments relating thereto by and between Berkeley County and Marine Barge Company, LLC whereby, Berkeley County will enter into a Fee-In-Lieu of taxes arrangement with Marine Barge Company, LLC; providing for

payment by Marine Barge Company, LLC of certain fees in lieu of Ad Valorem Taxes; and other matters relating thereto.

F. Review prior to Second Reading of Bill No. 03-42, An Ordinance for the purpose of establishing the Berkeley Technology Development Corporation, stating its purposes and appointing the members to the Board of Directors of the Berkeley Technology Development Corporation.

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2. Bill No. 03-25, An Ordinance providing for the fiscal year beginning July 1, 2003, and ending June 30, 2004, for the Pimlico Special Tax District operational budget; and to provide for the expenditures of the revenues received by the Pimlico Special Tax District during the fiscal year.

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July 16, 2003
S/Barbara B. Austin
Clerk of County Council